

PAGE 01 STATE 161509
ORIGIN 05-25

INFO 001-01-- 150-DB 050-DB /026 F

DRAFTED BY ARA/ECA:FERONDOM:JMA
APPROVED BY P.DNEWSOM
ARA -JBUCHNEL (INFO)
RA - SCHNEIDER (INFO)
S/S:SVALERGA

C 240135Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY BUENOS AIRES IMMEDIATE

STATE 161509

E.C. 11652: GDS

TALS: SHUM, AP

SUBJECT: UNDER SECRETARY NEWSOM'S MEETING WITH DEPUTY
FOREIGN MINISTER ALLARA.

1. SUMMARY. THERE WERE NO NEW DEVELOPMENTS DURING UNDER-
SECRETARY'S MEETING WITH ARGENTINE DEPUTY FOREIGN MINISTER.
NEWSOM ONCE AGAIN EXPLAINED NEED TO DO SOMETHING ABOUT
PRISONERS, TORTURE, DISAPPEARANCES AND INTERNATIONAL
INSPECTION IF UNITED STATES IS TO JUSTIFY POLICY CHANGES,
INCLUDING MILITARY PROGRAMS. NEWSOM WELCOMED INVITATION
TO INTER-AMERICAN HUMAN RIGHTS COMMISSION BUT THERE WAS NO
INDICATION WHETHER ARGENTINE INVITATION WOULD BE ACCEPTABLE
TO COMMISSION. SECOND MEETING LARGELY DEVOTED TO FURTHER
ELABORATION OF EX IM ISSUE. END SUMMARY.

2. UNDER SECRETARY FOR POLITICAL AFFAIRS NEWSOM MET WITH
DEPUTY FOREIGN MINISTER ALLARA FOR APPROXIMATELY 45
MINUTES ON JUNE 23. SECOND MEETING WAS HELD AT OAS AND
WILL BE REPORTED SEPTTEL. ALLARA WAS ACCOMPANIED
BY AMBASSADOR AJA ESPIL, NORTH AMERICAN DIVISION DIRECTOR
ESPECHE AND HUMAN RIGHTS WORKING GROUP DIRECTOR ARLA.
RA DEPUTY ASSISTANT SECRETARY SCHNEIDER, ZIMMERMAN AND
RODON OF ARA/ECA, AND MILLER OF P WERE ALSO PRESENT.

3. AFTER INITIAL EXCHANGE OF REMARKS NEWSOM NOTED
PROBLEM THAT U.S. PROGRAMS, INCLUDING MILITARY ONES;
CANNOT GO FORWARD UNLESS WE CAN JUSTIFY CHANGES IN
AMERICAN POLICY RESULTANT FROM ARGENTINE HUMAN RIGHTS
PROGRESS. NEWSOM TOUCHED ON FOUR AREAS OF CONCERN.

-- INTERNATIONAL INSPECTION. NEWSOM WELCOMED INVITATION
TO INTER-AMERICAN HUMAN RIGHTS COMMISSION (IAHRC).

-- PRISONER RELEASES. HE REQUESTED INFORMATION ON THE
RELEASE OF SOME 1,000 PRISONERS, INCLUDING U.S. PAROLE
PROGRAM AND OUR READINESS TO RECEIVE A NUMBER OF PRISONERS
SO LONG AS THEY HAVE NO CLEAR TERRORIST BACKGROUND.

-- PROBLEM OF CONTINUING REPORTS OF DISAPPEARANCES AND
TORTURE ALTHOUGH WE ARE GRATIFIED THAT SIGNIFICANT STEPS
ARE BEING TAKEN TO DISCIPLINE THOSE RESPONSIBLE FOR
EXCESSES.

-- NEED TO PROVIDE INFORMATION TO THE FAMILIES OF THOSE
WHO HAVE DISAPPEARED.

NEWSOM SAID THAT PROGRESS IN THESE AREAS IS IMPORTANT IF
WE ARE TO RECOMMEND CHANGES TO CONGRESS IN CURRENT
RESTRICTIVE LEGISLATION. HE SAID A BEST BEGINNING WOULD

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OUTGOING
TELEGRAM

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BE A SATISFACTORY ACCEPTANCE OF ARGENTINA'S INVITATION
TO IAHRC.

4. ALLARA STRESSED THAT IAHRC INVITATION WAS AN
ARGENTINE INITIATIVE BUT STATEWIDE OFFERED NOTHING NEW.
HE STATED, "WE ALWAYS TALK ABOUT WHAT ARGENTINA IS READY
TO DO. I WOULD LIKE TO TALK ABOUT WHAT USG IS READY TO
DO. WHAT ACTION IS THE DEPARTMENT OF STATE WILLING TO
TAKE TO IMPROVE RELATIONS?". ALLARA MENTIONED EXIMBANK
CASES INVOLVING BOEING AND ALLIS CHALMERS, COMMENTING
THAT ARGENTINA CAN FINANCE ITS NEEDS BUT THAT EXIMBANK
POLICY HAS "PROFOUND POLITICAL SIGNIFICANCE."

5. NEWSOM EXPLAINED THAT WE ARE NOT DEALING WITH AN
ISSUE THAT IS STRICTLY IN HANDS OF STATE DEPARTMENT OR
WHITE HOUSE, REFERRING TO CONGRESSIONAL STRICTURES AND
NEED TO BE ATTENTIVE TO CONGRESSIONAL VIEWS OR RISK EVEN
MORE RESTRICTIVE LAWS.

NEWSOM MENTIONED THAT EXIM LEGISLATION IS BEFORE CONGRESS
NOW AND THAT SENATE HAS PASSED VERSION REQUIRING THAT
HUMAN RIGHTS BE TAKEN INTO ACCOUNT IN OFFERING FINANCIAL
ARRANGEMENTS. NEWSOM INFORMED ALLARA THAT, AS WE TOLD
VIGELA AFTER NEWSOM VISIT, IF GOA ANNOUNCES ITS

INVITATION TO IAHRC, AND AFTER APPROPRIATE CONSULTATIONS
WITH CONGRESS, WE WILL ACT FAVORABLY ON APPLICATIONS FOR
MILITARY TRAINING. WE ASSUME, NEWSOM OBSERVED, THAT VISIT
WOULD TAKE PLACE IN THE NEAR FUTURE UNDER INITIALLY
ACCEPTABLE CONDITIONS SO THE IAHRC MIGHT CARRY OUT ITS
MISSION. IF FURTHER IMPROVEMENTS TAKE PLACE, NEWSOM
ADDED, WE WOULD RESPOND WITH APPROPRIATE APPROVALS. IF
THERE WERE A DETERIORATION, THIS WOULD MAKE OUR WORK
MUCH MORE DIFFICULT.

6. DURING SECOND MEETING HELD AT OAS UNDER SECRETARY AGAIN
STRESSED IMPORTANCE OF SATISFACTORY AGREEMENT BETWEEN
ARGENTINA AND IAHRC. HE POINTED OUT THAT SINCE THERE HAD
BEEN NO DRAMATIC PROGRESS IN RELEASE OF DETAINEES OR IN
PROVIDING INFORMATION ON DISAPPEARED PERSONS, THIS SEEMED
TO BE ONLY ELEMENT WHICH WOULD JUSTIFY NEW LOOK AT BOTH
MILITARY AND ECONOMIC CASES NOW PENDING.

7. ARGENTINE SIDE POINTED OUT CONDITIONAL NATURE OF THEIR
INVITATION TO IAHRC BUT EXPRESSED HOPE THAT INVITATION
WOULD BE ACCEPTED. (FYI: WE HAD EXPECTED WORD TODAY BUT
THERE IS AS YET NO FINAL DECISION WE ARE AWARE OF. END
FYI)

8. ARGENTINES ALSO PRESSED HARD ON WHY US COULD NOT GO
FORWARD WITH EX IM FINANCING. NEWSOM EXPLAINED THAT
CURRENT EX IM LEGISLATION CONTAINS REQUIREMENT THAT WE
CONSIDER HUMAN RIGHTS QUESTIONS AND THAT ANY CREDIT IN
EXCESS OF \$60 MILLION MUST BE SUBMITTED TO CONGRESS FOR
FORMAL REVIEW. IT IS JUDGMENT OF US THAT ANY SUCH
NOTIFICATION TO CONGRESS IN ABSENCE OF DEMONSTRATED PRO-
GRESS ON HUMAN RIGHTS COULD SET BACK EFFORTS AT MORE
NORMAL RELATIONS WITH ARGENTINA.

9. FOLLOWING CONVERSATIONS WITH NEWSOM ARGENTINES DECIDED
THEY NEEDED NO FURTHER APPOINTMENTS. VANCE

ARGENTINA PROJECT (S200000044)

U.S. DEPT. OF STATE, A/RPS/IPS

Margaret P. Grafeld, Director

(X) Release () Excise () Deny

Exemption(s):

Declassify: () In Part (X) In Full

() Classify as () Extend as () Downgrade to

on Reason

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